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1 BEFORE THE ARIZONA CORPORATION COMMISSION 2 Arizona Corporation Commission **COMMISSIONERS** DOCKETED 3 JEFF HATCH-MILLER, Chairman WILLIAM A. MUNDELL SEP 202006 4 MIKE GLEASON KRISTIN K. MAYES **DOCKETED BY** 5 **BARRY WONG** NUL 6 DOCKET NO. W-01445A-06-0200 IN THE MATTER OF: SW-20445A-06-0200 7 W-20446A-06-0200 ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, SW-03576A-06-0200 8 SW-03575A-06-0200 Complainant 9 VS. 10 GLOBAL WATER RESOURCES, LLC, A 11 FOREIGN LIMITED LIABILITY COMPANY; m GLOBAL WATER RESOURCES, INC., A 12 DELAWARE CORPORATION; GLOBAL WATER MANAGEMENT, LLC, A FOREIGN LIMITED 13 LIABILITY COMPANY; SANTA CRUZ WATER COMPANY, LLC, AN ARIZONA LIMITED 14 LIABILITY CORPORATION; PALO VERDE UTILITIES COMPANY, LLC, AN ARIZONA 15 LIMITED LIABILITY CORPORATION; GLOBAL WATER - SANTA CRUZ WATER COMPANY, 16 AN ARIZONA CORPORATION; GLOBAL WATER – PALO VERDE UTILITIES COMPANY. 17 AN ARIZONA CORPORATION: JOHN AND JANE DOES 1-20; ABC ENTITIES I-XX. 18 Respondents. PROCEDURAL ORDER 19 BY THE COMMISSION: 20 On March 29, 2006, Arizona Water Company ("AWC") filed a complaint against Global 21 Water Resources, LLC, Global Water Resources, Inc., Global Water Management, LLC, Santa Cruz 22 Water Company, LLC, Palo Verde Utilities Company, LLC, Arizona Global Water - Santa Cruz 23 Water Company and Arizona Global Water - Palo Verde Utilities Company (collectively 24 "Respondents"). 25 On April 24, 2006, the Respondents filed an Answer to the Complaint and a Motion to 26 Dismiss. 27 By Procedural Order issued May 17, 2006, a procedural conference was scheduled for June 28

1 | 15, 2006.

The procedural conference was held as scheduled on June 15, 2006. Following the discussion at the procedural conference, the Administrative Law Judge denied the Motion to Dismiss and directed the parties to file briefs on the injunctive relief issue by July 7, 2006 (Tr. 55, 62).

During the procedural conference, the Commission's Utilities Division Staff ("Staff") represented that it was processing the Docket No. W-00000C-06-0149¹ on an expedited basis, and that Staff expected to bring its recommendation before the Commission sometime in August 2006 (Tr. 29). As a result, AWC agreed with Staff's recommendation to hold its Complaint in abeyance pending the Commission's consideration of the issues presented in the Generic Docket (Tr. 55).

On July 7, 2006, AWC, the Respondents, and Staff filed briefs regarding the advisability of invoking injunctive relief regarding the activities of the Respondents' unregulated affiliates and the Commission's authority to do so in this proceeding.

By Procedural Order issued July 14, 2006, AWC's Motion to Dismiss was denied in accordance with the ruling made at the June 15, 2006 procedural conference, and AWC's Complaint in the above-captioned docket was ordered held in abeyance pending the Commission's consideration of the issues raised in the above-referenced Generic Docket.

On September 7, 2006, AWC filed a Request for Oral Argument/Disposition of its Request for Injunctive Relief.

On September 13, 2006, the Respondents filed a Response to AWC's Request for Oral Argument or Disposition of its Request for Injunctive Relief.

IT IS THEREFORE ORDERED that Staff shall file by September 27, 2006, a statement regarding the status of its recommendation in the Generic Docket.

IT IS FURTHER ORDERED that an oral argument regarding AWC's request for injunctive relief shall be scheduled for September 28, 2006, at 1:30 p.m., at the offices of the Commission, 1200 West Washington, Phoenix, Arizona 85007.

¹ In the Matter of the Commission's Generic Evaluation of the Regulatory Impact From the Use of Non-Traditional Financing Arrangements by Water Utilities and Their Affiliates ("Generic Docket")

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, 1 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at 2 3 hearing. Dated this 20 th day of September, 2006 4 5 6 7 DWIGHT D. NODES ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE 8 Copies of the foregoing mailed/delivered day of September, 2006 to: 10 Robert W. Geake Christopher Kempley, Chief Counsel ARIZONA WATER COMPANY Legal Division 11 ARIZONA CORPORATION COMMISSION 3805 N. Black Canyon Highway Phoenix, AZ 85015 1200 West Washington Street 12 Phoenix, AZ 85007 Steven A. Hirsch 13 Rodney W. Ott Ernest G. Johnson, Director **Utilities Division** BRYAN CAVE, LLP 14 Two N. Central Avenue, Ste. 2200 ARIZONA CORPORATION COMMISSION Phoenix, AZ 85004 1200 West Washington 15 Attorneys for Arizona Water Company Phoenix, AZ 85007 16 ARIZONA REPORTING SERVICE, INC. Michael W. Patten ROSHKA DeWULF & PATTEN, PLC 2627 N. Third Street, Ste. Three 17 400 East Van Buren Street, Ste. 800 Phoenix, Arizona 85004-1126 Phoenix, AZ 85004 18 Attorneys for Respondents 19 Mayor Chuck Walton City of Casa Grande Bv: 20 510 East Florence Blvd. Casa Grande, AZ 85222 Secretary to Dwight D. Nodes 21 22 23 24 25 26

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